



## EXECUTIVE OFFICE OF THE PRESIDENT OFFICE OF MANAGEMENT AND BUDGET WASHINGTON, D.C. 20603

SPECIAL

June 19, 1987

## LEGISLATIVE REFERRAL MEMORANDUM

0/congressional affairs 87-2634

TO:

Legislative Liaison Officer-

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Central Intelligence Agency 
National Security Council - Pearson - Room 381

Department of Justice - Perkins - 633-2113 (17)

Office of Personnel Management - Woodruff - 632-4682 (22)

Department of Defense - Brick - 697-1305 (06)

Department of State - Howdershell - 647-4463 (25)

Department of the Treasury - Carro - 566-8523 (28)

SUBJECT: Draft Floor Position on S. 1243, Intelligence Authorization Act, FY 1988 and 1989.

Department of Education - Kristy - 732-2670 (07)

The Office of Management and Budget requests the views of your agency on the above subject before advising on its relationship to the program of the President, in accordance with OMB Circular A-19.

A response to this request for your views is needed no later than NOON, TUESDAY, JUNE 23, 1987.

Questions should be referred to Ron Peterson (395-6194), the legislative analyst in this office.

RONALD K. PETERSON FOR Assistant Director for Legislative Reference

Conald K. Peterson

Enclosures

CC: Russ Neeley
Fred Fischer
Hida Schreiber
Frank Seidl
Mike Margeson

Frank Kalder

Colors

DRAFT

June 18, 1987 (Senate)

## 243 - Intelligence Authorization Act, Fiscal Years 1988 and 1989 (Sen. Boren (D) Oklahoma)

The Administration supports Senate passage of S. 1243 but will seek to change the bill in conference to:

- -- delete section 402 which authorizes the Director of the Federal Bureau of Investigation (FBI) to defray the living expenses of FBI employees assigned to the New York Field Division because it would be extremely costly and set a precedent for other agencies and other locations.
- -- delete section 506 which allows the Secretary of Defense to offer free advanced training in critical skills because general programs of student aid are the appropriate mechanism for student assistance.
- -- delete section 401 which requires the Attorney General to report annually to the Intelligence Committees any cases

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where Soviet nationals have been admitted to the U.S. over the objections of the Director of the FBI because it is an unnecessary reporting requirement.

In addition, the Administration will seek in conference to restore certain program reductions to conform to the Administration's request.

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## (Not to be Distributed Outside Executive Office of the President)

This d	raft	position w	as j	prepared	рÀ	LRD	in	consult	ation	with	NSD	(
), CIA	. (	), NSC	(	),	Ju	stice	• (	),	OPM	(	),	DOD
(	),	State (	)	, Treasu	гy	(		), and	Educa	tion	(	
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The FY 1988 and 1989 authorization levels for S. 1243, as included in the classified schedule of authorizations, provide a lower level of funding than requested by the President (2% lower in 1988).

As reported S. 1243 contains the following:

-- A personnel ceiling adjustment provision also contained in previous Intelligence Authorization Acts that authorizes the DCI to increase personnel ceilings by two percent under

certain conditions.

- -- An authorization of \$21.9 million and 237 full-time personnel, including detailees, for both 1988 and 1989 for the Intelligence Community staff and a requirement that costs of detailed personnel be reimbursed to the parent agency. (This level is \$2.4 million less than requested for 1988 and \$3.2 million less than requested for 1989).
- -- Authorization of appropriations for fiscal years for 1988 and 1989 of \$134.7 million and \$144.5 million respectively, for the Central Intelligence Agency Retirement and Disability System (CIARDS).
- -- An annual report by the Attorney General of any Soviet nationals admitted to the U.S. over FBI objections, who will be employed by a foreign mission or international organization in the U.S.
- -- An authorization for the Director of the FBI to pay necessary and appropriate compensation for unusually high living expenses of FBI employees assigned to the New York Field Division.
- -- An authorization for an annual uniform allowance for DIA civilian personnel employed overseas by Defense Attache Offices at the level prescribed by the Secretary of State

for similiar employees working at U.S. Embassies. (The current amount authorized by State regulations is \$360).

- -- A two year extension of the extraordinary authority of the Secretary of Defense to terminate a DIA civilian employee without regard to normal Federal personnel termination procedure.
- -- A two year extension of the authority of the Secretary of
  Defense to terminate a military department civilian
  intelligence officer or employee whenever considered
  advisable for U.S. national security interests.
- -- A tax benefit for allowances provided to NSA and DIA civilian personnel stationed overseas similiar to benefits provided to Foreign Service employees.
- -- An exemption for DIA from any information disclosure requirements pertaining to its organization, functions, or personnel.
- -- A specification that these authorizations do not constitute authority to conduct intelligence activities not authorized by the Constitution or U.S. law.
- -- An authorization for a graduate training program, particularly for recruitment of minority students, in

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critical skill areas. A full undergraduate training program was exacted last year over administration objections.

> LEGISLATIVE REFERENCE DIVISION DRAFT 6/18/87

